



LA Fashion District BID Board of Directors Meeting

Thursday, May 19, 2016 at 11:45 a.m.
110 E 9th Street, Suite A1175, Los Angeles, CA

AGENDA

1. Public Comment
2. Welcome & Introductions
3. Introduction: Captain Howard Leslie and Commander Todd Chamberlain
4. **ACTION ITEM:** Approval of Minutes: April 21, 2016 TAB 1
5. Recommendations from Finance Committee TAB 2
 - a. **ACTION ITEM:** 2017 Alleys Overlay Assessment Rate TAB 3
 - b. **ACTION ITEM:** Approval of 2017 Assessment Rates
6. Ad Hoc Search Co. Report & Possible **ACTION ITEM** TAB 4
7. Image & Communications Committee Report
8. Executive Director's Report TAB 5
 - a. Retail Consultant Update
 - b. Artist Reception and Installation – July 14th Preux & Proper
 - c. DLANC Election Results
 - d. FYI - 1st Quarter Activity Report to City TAB 6
 - e. FYI – Joint BID letter to Metro re: 40 year Plan TAB 7
9. New Business
 - a. “Retirement Party” – July 13th – City Market Sponsored
10. Adjourn

Next Meeting dates*:

June 2016: No regularly scheduled meetings.

* Meeting Dates/Times are subject to change with appropriate notice.

110 E 9th Street, Suite A 1175, Los Angeles CA 90079 p (213) 488-1153 f (213) 488-5159 www.fashiondistrict.org
The agenda and information materials are available for review in the BID office at the address below.

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LA Fashion District BID
Board of Directors Meeting Minutes
 Thursday, April 21, 2016

Board Members Present: Linda Becker, Mark Chatoff, Mark Cohen, Steve Hirsh, Elisa Keller, Bradley Luster, Laurie Rosen, John Van den Akker, Debbie Welsch

Board Members Absent: Jorge Flores, Matthew Haverim, Lisa Korbatov, Darlene Kuba, Yul Kwon, Brian Taban

Guests Present: Charlotte Acevedo – Major Properties

The meeting convened at 11:57am.

1. **Public Comment:** None received.
2. **Welcome & Introductions:** Attendees introduced themselves.
3. **Approval of Minutes: March 17, 2016:** Mark Chatoff moved to approve minutes from March 17, 2016. Linda Becker seconded. The motion was approved by unanimous decision.
4. **Financial Committee Report:** Kent Smith reported on the 1st quarter finances. To date, the BID has spent \$80,000 less than it had at this same time in 2015. He also announced that the BID sold both the security truck and collector truck for approximately \$19,000. Finally, he informed Board Members that D&O insurance has been renewed with Twin City Fire Insurance.
5. **CLOSED SESSION: Santiago Case Discussion:** Mark Chatoff moved to enter closed session. Laurie Rosen seconded. The motion was approved by unanimous decision. The meeting entered closed session at 12:03pm. Board Members received an update regarding the Santiago Case. Mark Chatoff moved to enter an open meeting. Mark Cohen seconded. The motion was approved by unanimous decision. The meeting was opened at 12:20pm.
6. **Retail Study Proposal:** Kent Smith announced that The Santee Alley has agreed to hire MJB Consulting to perform a retail study on the future of the Alleys and its surrounding area. Santee Alley hopes to gain an understanding of what future actions can be made to welcome the changing retail environment. The cost of hiring the consultant agency is \$19,000 and Santee Alley Association is asking the BID to share half the cost. Board Members discussed sharing the cost of the retail survey. Mark Chatoff moved to share 50% of the cost to hire MJB Consulting with a shared cap of \$10,000 and travel expenses. Brad Luster seconded. The motion was approved by majority decision, with one abstention from Debbie Welsch.
7. **Metro's 50 Year Transit Plan & Measure M (aka R2):** Kent Smith reported that Metro has released a list of 50 upcoming projects that will be funded by the ½ cent measure, already approved, and another proposed ½ cent measure over the next 40 years. He informed Board Members that not one project is planned for the Fashion, Arts, and South Park Districts. The BID Office requested permission to submit a letter asking Metro to consider funding a project in our area of DTLA. Elisa Keller moved to allow the BID Office to write a letter requesting consideration on Measure M. Linda Becker seconded. The motion was approved by unanimous decision.

8. **Executive Director's Report:** Kent Smith reported that SB876 was defeated by a vote of 7-2. He also presented the LA Fashion District refreshed logo and informed Board Members the new logo will be incorporated gradually to save on cost.
9. **New Business:** Steve Hirsh announced the intersection of 9th and Los Angeles will be renamed Stanley Hirsh Square. The ribbon cutting ceremony will take place Friday May 13th, 2016 at 9am.
10. **Adjourn:** *The meeting adjourned at 1:21pm.*

EXECUTIVE DIRECTOR'S REPORT

May 19, 2016

ADMINISTRATION

Kent Smith Announces Retirement from the BID

On April 28th, Kent Smith announced his retirement from the Fashion District BID. His last day is July 28th. The Board of Directors has created an Ad Hoc Committee to facilitate the search for an Executive Director and transition.

Rena Leddy wins DLANC Election!

In a contested race, Rena Leddy, LA Fashion District BID Managing Director, won the Neighborhood Council's business seat, representing the BID. She begins representing the business community at the July Meeting.

BID Staff Attend the California Downtown Association Conference in Oakland

Last week, Kent Smith, Rena Leddy and Ariana Gomez attended the CDA conference in Oakland with about 120 other downtown and district professionals. There were sessions on BID renewal, marketing, retail, homelessness, and place making to name a few. Kent Smith moderated a panel on advocacy and the role of BIDs.

Retail Consultant Begins Work

Last week, MJB Consulting began work in and around the Santee Alley as part of the Retail Study that Santee Alley and the Fashion District BID are working on. The study will include:

- Identifying of trends in Retail
- Identifying trends in Retail in Los Angeles, Downtown and specifically Fashion District
- Understanding what these trends mean for Santee Alley and adjacent retail streets Given how retail in downtown, Los Angeles and Globally has been evolving
- Understanding what Santee Alley and the surrounding neighborhood could do to take action, given how retail in downtown, the city as a whole and globally has been evolving

A strategy will be outlined in two ways:

- If we do nothing, this is what the neighborhood will look like in 5 years.
- If we want to do something to alter the projection or situation, here's what the neighborhood could look like.

The final product will provide a summary detailing reasons for recent challenges, proposal of viable options for re-tenanting or repositioning and outlining relevant considerations. There will be several more visits from MJB and additional meetings will be set up with property owners.

L.A.'s Housing Crisis Conference

Kent Smith and Rena Leddy heard from a panel of affordable housing experts at CCA's **Annual Housing Conference**. The panel discussed L.A.'s housing crisis and how it affects housing development in Downtown L.A. With Mayor Garcetti establishing a goal of 100,000 new units by 2021, ballot initiatives and other City and State proposals threaten that goal. The panelists discussed how developers will cope with these challenges and what that means for Downtown's future.

The panel looked at the ability of Downtown to absorb the 10,000 units coming on line in the next few years and several viewed this housing stock as a way to help make Los Angeles more affordable. But developers need certainty. With building moratorium initiatives and several potential new fees on development pending, confusion is occurring and this has had a cooling effect in some areas. Several transformative projects could be jeopardized. Instead, the panel proposed creating systems that expedite unit production, such as the HouseLA program, creating incentive menus for developers who do things like build in workforce housing, and having all of the City departments involved in development doing a better job talking to each other. Nevertheless, the panelists all believe that Downtown is in an exciting time and are excited by how the rest of the city and the world have embraced Downtown.

OPERATIONS

April Tonnage

	Trash Tonnage Change				
	2015	2016	Tons	% Change	YTD % Change
Jan	177.46	182.21	4.75	2.7%	2.7%
Feb ¹	177.16	168.00	-9.16	-5.2%	-1.2%
Mar	200.03	196.62	-3.41	-1.7%	-1.4%
Apr	199.97	188.86	-11.11	-5.6%	-2.5%
Total Tons	754.62	735.69	-18.93	-2.5%	
Daily Average	6.29	6.08			

Note 1: Feb/2016 (leap year) had 29 days (was hottest Feb in LA on record) vs. 28 days in Feb/2015

Active Shooter Training

Fashion District staff facilitated a training on active shooter and violence in the workplace. It was attended by lead security staff for Ross Dress, the California Market Center and the BID safety officers. Universal Protective Services (UPS), the BID's security vendor, provided the training. The BID staff will create protocols for the administrative office and UPS has standard protocol for the BID safety team in the field.

IMAGE & COMMUNICATIONS



Artwork to Activate Public Space Returns to the Fashion District

Working with Do Art Foundation, there is another space activation piece of art coming to the Fashion District. This piece of art by environmental artist and industrial designer Doron Gazit will be installed at the Wall Street Farmer's Market on May 14th and thereafter be moved throughout the District including on the point of Spring and Main Streets for Downtown Artwalk on July 14th on 11th Street sometime this summer. Doron Gazit, who lives in North Hollywood, is a

graduate of the Bezalel Academy of Art in Jerusalem. His work, its scale, and his choice of materials and settings reference the interface of nature, technology, and industry with a modern sensibility and playfulness. Gazit has installed a large number of environmental pieces throughout the world, including the Negev Desert in Israel, Santa Monica Beach in California, Tokyo, Mexicali, and Dubai. Gazit considers these temporary installations as literal extensions of the act of drawing and prefers to refer to these pieces as "lines." His method of intervention is to bring our full attention to the landscape, not to obscure it.

Fashion District Website Traffic

The Fashion District BID's website has more traffic each month than Oakland, downtown Long Beach and Fisherman's Wharf in San Francisco (average 9000 per month).

Other numbers of note:

Facebook – 37,000 followers

Instagram – 11,000 followers

Blog – 20,000+ views each month

Best Mother's Day

The California Flower Mall says it was their best Mother's Day ever with double digit sales increases! Traffic was steady all day and all the major networks covered the Flower District over the weekend.

NEW DEVELOPMENT AND MISCELLANEOUS

Apple Coming to Broadway & 8th

It was announced that an Apple store will be located in the Tower Theater on Broadway at 8th.

<http://www.labusinessjournal.com/news/2016/may/10/apple-nabs-retail-space-downtown-los-angeles/>

BNKR Opens!

Australian retailer [BNKR](#) finally opened their 6,800-square-foot flagship on 9th and Broadway. To celebrate, BNKR hosted a grand opening party with model Rocky Barnes from 12 noon to 3 p.m. on May 7th. The event featured food and drinks from Fashion District favorites [Juice Served Here](#) and [Bronzed Aussie](#), plus custom nail art by NCLA and live beats by DJ Max Van Ville. Racked LA has all the details, [here](#).

New Project at 7th and Santee Street

Staff met with new developers of a ground-up mixed-use construction project at 7th and Santee.

Alliance Apparel Moves to the Gerry Building

Alliance Apparel has taken over the entire second floor of the Gerry Building. Owned by online clothing retailer [REVOLVE](#), Alliance Apparel has several contemporary brands under its belt including Lovers + Friends, Tularosa, and NBD. The company's former offices were located in the Arts District. The Fashion District location was chosen for the building's proximity to the Alliance Apparel brands' showrooms in The New Mart and Cooper Building. *California Apparel News* has the full story, [here](#).

City Budget Hearings

The Los Angeles City Council's Budget & Finance Committee continued consideration of the Mayor's proposed FY2016-17 budget. The committee concluded hearing budget overviews from each department and will begin considering funding requests for items not included in the budget.

As expected, there is a significant focus on homelessness, and CCA, along with the Fashion District BID, has advocated to the committee to fully fund the Operation Healthy Streets program in Skid Row. This program addresses the health and sanitary conditions of the area and needs to be enhanced, not reduced. We are also very supportive of the \$3.6 million allocation to address homeless encampments across the City.

TAB 2

ACTION ITEM: 2017 Alleys Overlay Assessment Rate

Memo to be handed out at Board meeting

TAB 3

ACTION ITEM: Approval of 2017 Assessment Rate

Memo to be handed out at Board meeting

TAB 4

ACTION ITEM: Ad Hoc Search Committee Report

Memo/proposal to be handed out at Board meeting



LA Fashion District Business Improvement District

2016 First Quarter Activity Report

April 30, 2016

110 E 9th Street Suite A 1175 Los Angeles CA 90079 p (213) 488-1153 f (213) 488-5159 www.fashiondistrict.org

2016 1st Quarter Improvements, Activities and Services

Expenditures as of March 31, 2016

Budget Category	2016 Annual Budget	1 st Quarter Amount Spent	2016 YTD Amount Spent
Clean & Safe	\$2,911,160	\$676,435	\$676,435
Communication	\$479,404	\$83,710	\$83,710
Management/City Fees/Del. Assessments	\$486,754	\$105,817	\$105,817
Santee Alley Overlays	\$640,415	\$265,103	\$265,103
Total	\$4,517,733	\$1,131,064	\$1,131,064

2015 Annual Review

The accounting firm Gleicher, Tilley, Leonard, LLP (GTL, LLP) conducted the annual review. The Board of Directors unanimously approved the audit at the meeting in March.

Proposed 2016 Second Quarter Finance Activities

- Work with CPA to complete the 2015 Tax Returns
- Prepare recommendation for 2017 assessment rates for Board of Directors
- Prepare and submit 2017 assessments to the City

CLEAN AND SAFE ACTIVITIES

SAFETY PROGRAMS

First Quarter Contact Summary	2015	2016
Citizen Assist	3571	3410
Welfare Checks	1294	939
Disorderly Conduct	2052	1342
Trespassing	828	631
Drinking in Public	610	106
Illegal Vending	502	168
Robbery / Vandalism	419	364

Proposed 2016 Second Quarter Public Safety Activities

- Continue education information for property owners on their responsibilities for discouraging illegal activities by tenants on their premises, and to comply with clean sidewalk codes.
- Continue to act as liaison to direct homeless populations to service organizations.

CLEAN PROGRAMS

The Fashion District BID's clean programs deal with improving the public environment by providing graffiti removal, sidewalk and alley cleaning, street trash removal, tree trimming, weeding and poster removal.

Graffiti Removal

2016 First quarter graffiti removal records show a slight decrease in the 1st Quarter.

<u>Graffiti Removal – 1st Quarter</u>	2015	2016
January	2724	2426
February	2481	2255
March	3127	2845
Total	8332	7526

Trash Tonnage

Trash Tonnage decreased slightly.

<u>Trash Tonnage– 1st Quarter</u>	2015	2016
January	177.46	182.21
February	177.16	168
March	200.03	196.62
Total	554.65	546.83

Sidewalk Cleaning

1,496,198 square feet of district sidewalks were cleaned during the first quarter using scrubbing and pressure washing equipment.

Homeless and Feces Count:

We have had a tremendous increase in homeless encampments, with an average of 315 per month. And, we have cleaned 1799 feces in the 1st Quarter.

Proposed 2016 Second Quarter Public Clean Activities

- Continue to work to educate property owners and merchants about appropriate trash collection procedures.

Neighborhood and Business Improvement Districts
Quarterly Statistics for Mayor's Comstat Report

1st Quarter 2016

CATEGORY	TOTAL FOR QUARTER	CUMULATIVE TOTAL
Public Safety Contacts *	45,461	45,461
Trash Bags/Tons removed	54,230 bags/546.83 tons	54,230 bags/546.83 tons
Bulky Items Removed	568	568
Graffiti Removed	7526	7526
Weeded Areas	21	21
Citizen Contacts	3410	3410
Merchant Contacts	3893	3893
Spaces for Lease **	Not available	
Spaces leased **	Not available	
New Business **	Not available	
Landscaped Medians	The BID maintains two landscaped medians in the district.	

* Public Safety Incidents category
 was changed to Public Safety
 Contacts to provide the total
 number of contacts the BID Safe
 Team conducts during a quarter in
 the 100-block district.

** The LA Fashion District has over
 3500 street level stores. Due to the
 extensive volume of spaces we do
 not track spaces for lease, leased, or
 new businesses.

COMMUNICATIONS

The LA Fashion District BID Communications programs are developed to create a positive image for the District based on the positive changes that take place. Programs are designed to attract new investors and customers to the District as well as attract City investment to the District.

Website

www.fashiondistrict.org has 542,560 visitors per year. The retail and lines searchable directories as well as prom information are the most popular features on the site. The Fashion District website is the first website to pop-up when doing a Google search for “prom dresses in Los Angeles”. There are lines at the prom dress shops in the District, even on a Monday morning.

Fashion District Social Media Update

The Fashion District is on Facebook, Twitter, Instagram, Snap Chat and Pinterest. The BID maintains a robust social media network as part of our marketing efforts, which are used to connect with shoppers, buyers, and visitors worldwide. Our most impressive following can be found on Facebook with over 37,000 followers, while our fastest growing audience is on Instagram, where we boast over 11,000 followers. Social media enables the BID to market to new audiences and a younger demographic, which in turn allows us to run more tailored online campaigns. For example, March and April we leveraged our social media reach to target prom shoppers, marketing to high school students directly.

2016 First Quarter Website Visitors and Social Media Activity

<u>Website Visitors</u>	2016
January	43,692
February	45,797
March	57,506
Totals	146,995

<u>Social Media – 1st Quarter Totals</u>	2015	2016
Facebook		
○ New Followers	1047	1864
Twitter		
○ New Followers	328	257
Blog		
○ Page Views	63,669	82,046
Instagram		
○ New Followers	951	2074
Pinterest		
○ New Followers	182	304

Proposed 2016 Second Quarter Communications Activities

- Continue to refine social media features
- Send out an RFP for Banners
- Develop an RFP for a Marketing Plan
- Work with the Flower District for Mother's Day
- Promote Market Week and update the Lines Directory
- Begin plans for Urban Dinner Party
- Write the second BID LINES

SPECIAL PROJECTS

Proposed 2016 Second Quarter Special Projects Activities

- Continue to work with Bureau of Street Services to launch the Fashion District Phase II streetscape project.
- Work with Do Art on installation of temporary outdoor art piece
- Work with Santee Alley Association on Retail Strategy Plan

MANAGEMENT, CITY FEES AND DELINQUENT ASSESSMENTS

This portion of the annual Fashion District BID budget includes all Management and Communications service programs. The remaining budget is allocated to City Fees, Depreciation, Uncollected Revenue, and the North and South Alley Overlays.

MANAGEMENT PROGRAMS

- Work on transition plan for new Executive Director
- Begin preparing Annual Meeting

Proposed 2016 Second Quarter Management Activities

- Continue to advocate for the Fashion District BID.
- Begin preparing for the 20th Anniversary of the BID



Tab 7

April 29, 2016

Honorable Mark Ridley-Thomas
Chairperson
LA County Metropolitan Transportation Authority Board of Directors
One Gateway Plaza
Los Angeles, CA 90012

Dear Chairperson Mark Ridley-Thomas,

On behalf of the Los Angeles Arts District Business Improvement District (BID), South Park BID and Fashion District BID, we are urging the LA County Metropolitan Transportation Authority Board of Directors to include the southern and eastern parts of downtown in the Metro Proposed Ballot Measure for its 50-year transit plan.

We are disappointed to see that there was nothing included in the plan within the Arts District, South Park or Fashion District as it is one of the largest areas of growth in the LA region. The population of Downtown Los Angeles has grown by 216% during the last 15 years compared to the county's population growth of 6% during the same time period. Moreover, 50% of the residential construction under way and in the pipeline in Downtown LA is in the Fashion District, South Park and Arts District.

These three neighborhoods have the most potential for long term residential and employment growth in Downtown Los Angeles because of underutilized land and the upcoming land-use and zoning changes via the Community Plan update and Recode LA. These changes will allow for much greater residential and employment density. Downtown Los Angeles is the one neighborhood in LA where residents and stakeholders encourage more density and more mixed-use development. This area has 1/3 of all commercial space and the projected population in the year 2019 within ½ mile walk from those districts is cumulatively estimated at 48,292. That will be nearly ½ of all of downtown's population and more than that of Culver City (40,722) or West Hollywood (38,805), both cities with existing rail lines or proposed lines in the proposed ballot measure. Despite being one of the key growth centers of the LA region and the area that will grow the most in terms of jobs and population, the Fashion District, South Park District and Arts District have very little transit service and have been left out of Metro's Proposed Ballot Measure for transit funding.

As centrally located, walkable neighborhoods that are growing into centers of housing, employment, culture and leisure and becoming regional destinations, the Fashion District, South Park District and Arts District are exactly the types of neighborhoods where Transit Oriented Development can have a large regional impact. Adding transit here, near the center of mass transit for the region, can have a

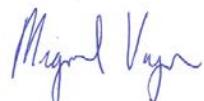
Tab 7

greater impact than anywhere else in the region, where it could connect to up to 6 Metro Rail lines. No other proposed line has as many possible connections.

Finally, transit stations in the downtown growth area of the Fashion District, South Park District and Arts District will help address LA's drastic housing shortage. The area covered by our three districts is one of the most job dense areas of LA. It is also one of the few areas that wants increased density, especially for housing. By building transit to connect these neighborhoods and beyond, it will allow the region to address the housing shortage by increasing high density housing near existing jobs and entertainment that is connected to a robust regional rail system, which will also decrease vehicular congestion.

Every major city in America has strong rapid transit linkages to neighborhoods in their downtowns. It's very important that Metro funds transit projects that will link the districts together and connect them with the rest of Downtown Los Angeles and the region in order to achieve its mobility goals. A linkage within the Fashion, South Park and Arts Districts should be included in the list of Metro Proposed Ballot Measure projects.

Sincerely,



Kent Smith, Executive Director
Fashion District BID

Miguel Vargas, Executive Director
Arts District BID



Jessica Lall, Executive Director
South Park BID

cc: LA County Metropolitan Transportation Authority Board of Directors
Phillip A. Washington, Chief Executive Officer
Fashion District Board of Directors
South Park Board of Directors
Arts District Board of Directors